

TAB

CONFIDENTIAL

Approved For Release 2002/01/03 : CIA-RDP80B01495R000800060012-5

DDI-3718-74

23 December 1974

MEMORANDUM FOR: Deputy Director of Economic Research

SUBJECT : Meeting with GAO Representatives Richard Price
and Phillip J. Thomas

1. On 20 December 1974 I met for 2 hours with Messers. Thomas and Price of the International Division, GAO. The purpose of the meeting was to discuss the functions of the Deputies Group on Food, CIA's participation, and reports on Soviet grain developments that OER had provided to the Deputies Group since last July.

2. In response to their questions, I made it very clear that OER had not done any reports at the request of the Deputies Group. We had done reports on the world grain situation for individual members of the Deputies Group and sent informational copies to other members, including the chairman. The results of our latest world grain study in December were orally presented to the Deputies Group by me, and in turn presented to the Economic Policy Board along with those of USDA by Gary Seevers. Estimates of the Soviet grain harvest were included in the written reports.

3. I explained the objective, methodology, scope, and role of the USSR in our analysis of foreign demand for US grain exports. Also, I pointed out that whereas we have some differences with USDA on the size of the Soviet harvest our estimates on grain import demand for FY 75 have been close.

4. They asked a number of other questions including:

- °How the USDA export reporting system works;
- °Do we need more information from grain brokers;
- °Are the Russians in the US grain futures market;

28 DEC 1974

Approved For Release 2002/01/03 : CIA-RDP80B01495R000800060012-5

CONFIDENTIAL

23 IMPDET CL BY 0337

CONFIDENTIAL

Approved For Release 2002/01/03 : CIA-RDP80B01495R000800060012-5

- °Should USDA investigate the belief that grain brokers are forcing prices up through speculation, manipulation, etc.;
- °Does USDA provide detailed grain export data to the Deputies Group or to CIA; and
- °Several questions related to domestic agricultural policy.

I refused to comment on or answer questions related to the US domestic agricultural scene. To other questions I tried to respond in an open and candid manner.

5. Commitments: Richard Price requested to see copies of all the OER world grain situation reports done since July 1974. I refused pending clearance from my superiors. I suggested that possibly one report as a representative sample would do. However, Mr. Price wants all or none. His stated objective is to trace the information available to US policy makers on the Soviet and world grain situation since last July. My impression is that if we do not supply the reports they will be disappointed but not surprised.

6. Mr. Thomas stated that a draft copy of GAO's report would be sent to CIA for review and comments. GAO is shooting for a draft by late January and a final report for Congress in March 1975.

7. DD/OER Action: Provide GAO with copies of OER Reports dated 23 September and 9 December 1974 on the "World Supply and Demand for Grain, 1974/75".

APPROVE _____

DISAPPROVE _____



25X1A

Senior Research Analyst
Agriculture and Materials Branch
Industrial Nations Division

Approved For Release 2002/01/03 : CIA-RDP80B01495R000800060012-5

CONFIDENTIAL

MEMORANDUM FOR:

ADDL

file GAO

Attached is [REDACTED] report on his discussion with GAO. They are still trying to get copies of our grain studies. I see no reason to change your decision. Let me know if you want [REDACTED] to tell them no again or if you will take care of it.

STATINTL [REDACTED]

Deputy Director
Economic Research

cc: OLC
[REDACTED]

23 Dec '74
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)